

CHARLIE GUNN



Associate Administrator
Policy

January 30, 1986

NOTE TO AD/A/William Graham

Here is a preliminary look
at how we should approach our recovery
strategy after the Challenger accident.
In it I conclude that we should
get the President to ask us to provide
him in the near future with a recovery
plan, including alternatives, costs,
schedules and our own recommendations.

Norm
Norm

cc:AS/Culbertson

Where Do We Go From Here?

It is important for NASA and the Administration as a whole to react in a consistent and well-considered way to the impact of the Challenger accident on the space program. We should develop our strategy fairly quickly so that we can attempt to provide leadership in the Administration, on the Hill, and in public in answering the questions that will inevitably arise about the pace and direction of the program.

First of all, we should do a systematic and thorough assessment of the impact of the accident on the program. Regardless of the recovery course we adopt, there will be delays in our flight programs. These should be looked at across the whole range of agency programs and assessed in terms of both time and dollar costs. We should also understand thoroughly and realistically the cost of recovery options.

A range of strategies are available. They include:

1. No increase in the agency budget, no future orbiter production. This would have a minimum impact on Space Station, science and TDRS. However, it would have a very serious effect on the ability of the STS to meet national launch needs. It would amount to an abrogation of the President's direction that the Shuttle will be the primary launch vehicle for all civil and military government missions.
2. No increase in the agency budget, build orbiter 105. We have looked at this option already in connection with the "fifth orbiter" issue. We tended to reject it because of its cost impact, even if we could stretch out the orbiter buy. Under present circumstances--Gramm-Rudman and presumably a fast buy--the cost impacts would be even greater. That would inevitably affect all the other agency programs. Most seriously, it would become very difficult to carry out the President's Space Station policy under this option. Serious impacts would also be felt in space science and TDRS.
3. Seek adequate funding to build 105 and replace the lost TDRS while continuing the pace of other NASA programs. This would permit us to continue our pursuit of the President's objectives in space transportation, space science and Space Station. The bill would be high, greater than simply the additive costs of the 105 (and perhaps 106) and the TDRS, because some funding would be needed to compensate for probable delays in flight programs.
4. Seek adequate funding to start Shuttle II for about a '97 IOC. This would be the biggest bill of all, though perhaps not that much greater in terms of average and peak year funding than a fast buy on 105. If compared to an

early 2000's Shuttle II, we would have to freeze less advanced technology or do parallel technology development on more advanced systems. For example, if we wanted a reusable hydrocarbon engine for Shuttle II, we would have to develop it in parallel with the system as a whole.

This may or may not be a right list of alternatives but it reflects the kind of alternatives we should look at. (I personally favor #3 based on what I know now.)

It is clear that any of these decisions is of national importance. Inevitably, the consequences of the accident will affect important Presidential policy, in terms of the budget or major space policy goals or both. Therefore, I recommend that we help the NSC prepare a draft Presidential Directive asking NASA to carry out this assessment with a fairly short deadline. I would visualize that the results could be embodied in a Presidential request for a NASA supplemental around May (assuming that is how the President comes down). I think NASA's report should be reviewed by other SIG members (or a blue ribbon panel, if one is set up), but the initial preparation of it should be our responsibility. An additional advantage we gain from having the President ask us to prepare this kind of report is that we will be better able to defer pressures for premature congressional action on the post-accident impact. And, as I said above, we will have our own ducks in a row and the President behind us when we go into whatever actions we plan to take to recover from the accident.

NT:ls

1/30/86

cc:AS/Culbertson